

RECORDATION NO. 21801 FILED

NOV 20 '98

11-30 AM

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RECORDATION NO. 21801-ABCE, E, F, G FILED

NOV 20 '98

11-30 AM

November 20, 1998

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Re: Equipment Lot Siemens 1997B-NB

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Head Lease Agreement, dated December 16, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents, and the following secondary documents related thereto: Memorandum of Lease Agreement, Memorandum of Loan and Security Agreement, Memorandum of Equipment Mortgage, DBX Equipment Mortgage, Assignment of DBX Equipment Mortgage, Memorandum of Head Lessor's Lease Mortgage, and Memorandum of Lessor's Security Agreement, all dated December 16, 1997.

The names and addresses of the parties to the enclosed documents are:

Memoranda of Head Lease Agreement,  
Equipment Mortgage and Head Lessor's Lease Mortgage

Head Lessor: Tri-County Metropolitan Transportation District of Oregon  
4012 S.E. 17<sup>th</sup> Avenue  
Portland, Oregon 97202

Head Lessee: First Security Bank, N.A.  
79 South Main Street  
Salt Lake City, Utah 84111

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SURFACE TRANSPORTATION  
BOARD

Counterparts - 4.

Memoranda of Lease Agreement  
and Lessor's Security Agreement

Lessor: First Security Bank, N.A.  
79 South Main Street  
Salt Lake City, Utah 84111

Lessee: Tri-County Metropolitan Transportation District of Oregon  
4012 S.E. 17<sup>th</sup> Avenue  
Portland, Oregon 97202

B



Memorandum of Loan and Security Agreement

Trustee: First Security Bank, N.A.  
79 South Main Street  
Salt Lake City, Utah 84111

Lender: AIG Financial Products (Jersey) Limited  
100 Nyala Farm  
Westport, Connecticut 06880

DBX Equipment Mortgage

Mortgagor: DB Export-Leasing GmbH  
Mainzer Land Strasse 16  
D-60325 Frankfurt am Main Germany

Mortgagee: Tri-County Metropolitan Transportation District of Oregon  
4012 S.E. 17<sup>th</sup> Avenue  
Portland, Oregon 97202

Assignment of (DBX) Equipment Mortgage

Assignor: Tri-County Metropolitan Transportation District of Oregon  
4012 S.E. 17<sup>th</sup> Avenue  
Portland, Oregon 97202

Assignee: First Security Bank, N.A.  
79 South Main Street  
Salt Lake City, Utah 84111

Mr. Vernon A. Williams  
November 20, 1998  
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A description of the railroad equipment covered by the enclosed documents is set forth on Exhibit A attached hereto.

Also enclosed is a check in the amount of \$208.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/bg  
Enclosures

EXHIBIT A

DESCRIPTION OF EQUIPMENT

SIEMENS 1997B-NB

<u>Description</u>	<u>Identification Number</u>
1 Siemens low floor light rail vehicle, Model SD 600	234

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MEMORANDUM OF LOAN AND SECURITY AGREEMENT  
(Equipment Lot Siemens 1997B-NB)

Memorandum of Loan and Security Agreement (Equipment Lot Siemens 1997B-NB), made and entered into on December 16, 1997, by and between FIRST SECURITY BANK, N.A., a national banking association, not in its individual capacity but solely as the Trustee ("Trustee"), and AIG FINANCIAL PRODUCTS (JERSEY) LIMITED, a corporation organized under the laws of Jersey, Channel Islands, as Lender ("Lender").

W I T N E S S E T H:

The parties hereto are entering into that certain Loan and Security Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997 (the "Loan Agreement"), where Trustee agrees to grant to Lender as security for Trustee's performance of its obligations described in said Loan Agreement a first priority security interest in, mortgage lien on, and pledge of, all of the Trustee's right, title and interest in, to and under the collateral listed on Exhibit A attached hereto.

This Memorandum may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

FIRST SECURITY BANK, N.A., not in its individual capacity but solely as the Trustee

By:   
Name: **Dain W. Brown**  
Title: **Assistant Vice President**

AIG FINANCIAL PRODUCTS (JERSEY) LIMITED, as Lender


By: \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

FIRST SECURITY BANK, N.A., not in  
its individual capacity but solely as the  
Trustee

By: \_\_\_\_\_  
Name:  
Title:

AIG FINANCIAL PRODUCTS (JERSEY)  
LIMITED, as Lender

By:  \_\_\_\_\_  
Name: JoAnn Palazzo  
Title: Managing Director

STATE OF NEW YORK     )  
                                      ) SS  
COUNTY OF NEW YORK )

On this 16<sup>th</sup> day of December, before me personally appeared Darin W. Brown, to me personally known, who being by me duly sworn, said that ~~she~~ he is an Asst. Vice President of FIRST SECURITY BANK, N.A., that said instrument was signed on such date on behalf of said entity on such day by authority of its Board of Directors, and she/he acknowledged that the execution of the foregoing instrument was the free act and deed of said entity.

Gerry O'Leary  
Notary Public

[NOTARIAL SEAL]

GERRY O'LEARY  
Notary Public, State of New York  
No. 01OL5035814  
Qualified in New York County  
Commission Expires ~~Nov. 14, 1998~~  
Jan 8, 1999

My commission expires: Jan 8, 1999



STATE OF NEW YORK     )  
                                      ) SS  
COUNTY OF NEW YORK )

On this 16<sup>th</sup> day of December, before me personally appeared JoAnn Palazzo, to me personally known, who being by me duly sworn, said that she ~~he~~ is a Managing Director of AIG FINANCIAL PRODUCTS (JERSEY) LIMITED, that said instrument was signed on such date on behalf of said entity on such day by authority of its Board of Directors, and she/he acknowledged that the execution of the foregoing instrument was the free act and deed of said entity.

*Gerry O'Leary*  
Notary Public

[NOTARIAL SEAL]

GERRY O'LEARY  
Notary Public, State of New York  
No. 01OL5035814  
Qualified in New York County  
Commission Expires Nov. 14, 1998  
Jan 8, 1999

My commission expires: Jan 8, 1999

EXHIBIT A  
TO  
MEMORANDUM OF LOAN AND SECURITY AGREEMENT

DESCRIPTION OF COLLATERAL

SIEMENS 1997B-NB

The Memorandum to which this Exhibit A is attached covers the following described property, rights and privileges (such property, rights and privileges described in clauses (A)-(F) below, but excluding Excluded Payments, being hereinafter referred to collectively as the "Collateral"):

(A) all estate, right, title and interest now held or hereafter acquired by the Trustee in and to the Leasehold Interest including, without limitation, the interest granted to the Trustee in the Equipment listed in Annex I hereto pursuant to the Head Lease;

(B) all estate, right, title and interest now held or hereafter acquired by the Trustee in, to and under the Head Lease, the Head Lease Certificate of Acceptance, the Participation Agreement, the Lease, the Lease Certificate of Acceptance, the Assignment of Manufacturer's Warranties, the Payment Agreement, any Payment Counterparty Guarantee, the Lessee's Security Agreement, the Assignment of German Mortgage and the Equipment Mortgage (collectively, the "Granting Clause Documents") and the right to receive payment of any and all amounts or other sums payable thereunder or in respect thereof, including without limitation (i) all amounts of Rent payable under the Lease (including, without limitation, all Basic Rent and Supplemental Rent (including, without limitation, Termination Value, Burdensome Buyout Value or Purchase Option Price or any payment computed by reference thereto)), insurance proceeds (including but not limited to proceeds of the insurance required under Section 11 of the Lease) and condemnation, requisition and other awards and payments of any kind for or with respect to the Leasehold Interest or the Equipment Lot (including, without limitation, proceeds and payments received pursuant to exercise of any of the remedies provided in Section 15 of the Lease) and all other amounts or payments of any kind paid or payable by the obligor(s) under the Granting Clause Documents or in respect thereof to the Trustee whether in its capacity as Lessor or otherwise as well as all rights of the Trustee to enforce payment of any such amounts or payments, (ii) all rights of the Trustee with respect to or arising out of the Lease to exercise any election or option or to make any decision or determination or to give or receive any notice, consent, waiver or approval or to

take any other action under or in respect of the Granting Clause Documents or to accept any surrender or redelivery of any of the Equipment Lot or any part thereof, as well as all rights, powers and remedies of the Trustee whether acting under any Granting Clause Document or by statute or at law or in equity, or otherwise, arising out of any Lease Event of Default and (iii) any right to restitution from the Lessee or a Transferee's Guarantor, if any, in respect of any determination of invalidity of any Granting Clause Document;

(C) all moneys and securities relating to or arising out of the Lease and any other Operative Documents or the Granting Clause Documents that are now or hereafter required to be paid to, or deposited with, the Lender by or for the account of the Trustee pursuant to the terms of any Operative Document;

(D) all rents, issues, profits, revenues and other income of the property subjected or required to be subjected to the Lien of the Loan Agreement;

(E) all other property of every kind and description and interests therein now held or hereafter acquired by the Trustee pursuant to any term of any Granting Clause Document (including, without limitation, the Lease) wherever located and subjected to the Lien of the Loan Agreement by a supplement thereto, and any and all property or interest in property described or referred to in the Granting Clause of the Loan Agreement (other than Excluded Payments) which is hereafter acquired by the Trustee; and

(F) all proceeds of the foregoing of whatever kind or nature, including without limitation all claims against third parties for destruction, loss or damage to any of the foregoing or otherwise.

BUT EXCLUDING, HOWEVER, from the Collateral all Excluded Payments and any payments or amounts which have been distributed to the Trustee or any other Person in accordance with the provisions of the Loan Agreement, AND SUBJECT TO Sections 2.02, 3.05 and 6.01 of the Loan Agreement and the provisions with respect to Excepted Rights set forth in Section 5.05 of the Loan Agreement.

Capitalized terms used herein shall have the following meanings:

"Acceptable Equity Collateral" means a Letter of Credit, surety bond, financial guarantee, cash collateral or another form of agreement or debt obligation, which cash collateral or other form of agreement or debt obligation shall be satisfactory to the Beneficiary, in each case (i) providing for the payment by the Obligor of the Equity

Portion of each installment of Purchase Option Price (or, if the Lease has been renewed pursuant to Section 19(b) thereof, Renewal Rent) and Basic Rent to the extent that payment of the Equity Portion of each such installment is not otherwise collateralized by the Standby Letter of Credit, the FSA Policy or other Additional Equity Collateral (or any Items of Equipment in respect of which the Lessee shall have acquired legal title and granted a mortgage on such title in favor of the Trustee (free and clear of all Liens except Permitted Liens (other than the Liens referred to in clause (ii) of the definition of Permitted Liens), but only to the extent that such Items of Equipment collateralize payment obligations of the Lessee theretofore secured by the FSA Policy or any Additional Equity Collateral substituted for the FSA Policy) and (ii) containing provisions satisfactory to the Beneficiary, in its sole and unfettered discretion, with respect to payments upon early termination of the Lease.

"Additional Equity Collateral" means a Standby Letter of Credit, the FSA Policy (or a financial guarantee insurance policy replacing the FSA Policy), a surety bond, financial guarantee or similar instrument (in each case in form and substance satisfactory to the Trustee and the Beneficiary) to be issued by an issuer the long-term unsecured debt obligations of which are rated at least AA- by S&P and Aa3 by Moody's having an available amount, or equivalent credit enhancement, when taken together with all other Additional Equity Collateral, not less than the Equity Portion of High Termination Value from time to time reduced by the lower of the Market Value or the Accreted Value (each such term being used herein as defined in the LOC Agreement) under the Letter of Credit (or the amount corresponding to the lower of such Market Value or such Accreted Value under other substituted Acceptable Equity Collateral).

"Affiliate" of any Person means any other Person directly or indirectly controlling, controlled by or under common control with such Person. For purposes of this definition, "control" when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have meanings correlative to the foregoing, provided that in the case of the Lessee, a Person directly or indirectly controlling the Lessee shall include only any Person having control over or the power to direct, and in each case only when and to the extent so exercising such control or power to direct, the policies, operations or other activities of the Lessee (it being understood that neither the Bank nor the Trustee shall be an Affiliate of the Beneficiary and the Beneficiary shall not be an Affiliate of either the Bank or the Trustee).

"Agreement for Assignment on Default" means the Agreement for Assignment on Default (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, among Tri-Met, the Beneficiary, the Trustee and FSA, as such may from time to time be amended, supplemented or otherwise modified.

"Assignment of German Mortgage" means the Assignment of Equipment Mortgage (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Tri-Met and the Trustee, as such may from time to time be amended, supplemented or otherwise modified.

"Assignment of Manufacturer's Warranties" means an Assignment of Manufacturer's Warranties (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Head Lessor and the Head Lessee, as the same may be amended, supplemented or modified from time to time in accordance with the terms thereof.

"Bank" means First Security Bank, N.A., a national banking association, in its individual capacity, and its successors or permitted assigns.

"Basic Lease Commencement Date" means the Closing Date.

"Basic Lease Term" means the period from the Basic Lease Commencement Date to the Basic Lease Termination Date.

"Basic Rent" means the rent allocable to each rental period and payable pursuant to Section 3(b) of the Lease on each Rent Payment Date during the Basic Lease Term thereunder, as the same may be adjusted from time to time pursuant to Section 3(e) of the Lease.

"Beneficiary" means NationsBank, National Association, a national banking association, and its successors and permitted assigns.

"Beneficiary Guarantee" means any guarantee executed by a Beneficiary Guarantor.

"Beneficiary Guarantor" means any guarantor of the obligations of any Beneficiary under the Operative Documents.

"Business Day" means any day other than a Saturday, Sunday or other day on which commercial banking institutions in Oregon, New York City or the city in which

the principal corporate trust office of the Bank is located are authorized or required by law, regulation or executive order to be closed.

"Closing Date" has the meaning set forth in Section 2(b) of the Participation Agreement, as such date may be changed as provided in Section 2(e) thereof.

"Equipment" means all Items of Equipment which collectively are specified as Equipment Lot Siemens 1997B-NB.

"Equipment Lot" means the Equipment.

"Equipment Mortgage" means the Equipment Mortgage, dated as of December 15, 1997, between the Head Lessor and the Head Lessee, as such may from time to time be amended, supplemented or otherwise modified.

"Equipment Remedies Agreement" means the Equipment Remedies Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, among the Beneficiary, the Trustee, the Lender, FSA, the Payment Counterparty, the LOC Issuer and Tri-Met.

"Event of Default" or "Lease Event of Default" has the meaning set forth in Section 14 of the Lease.

"Excepted Rights" has the meaning set forth in Section 5.05 of the Loan Agreement.

"Excluded Payments" means:

(i) any payment to which the Trustee, the Bank, the Beneficiary and their respective Affiliates, directors, officers, employees, agents, servants, successors and permitted assigns (collectively, the "Related Obligor Parties") are entitled pursuant to the terms of Section 13, 15, 16 or 17 of the Participation Agreement, Section 15(g) of the Lease, Section 7.01 of the Trust Agreement, any section of the Supplemental Rent Agreement or any section of the LOC Agreement, any other Acceptable Equity Collateral, any "collateral" provided pursuant to Sections 11(a)(iii), 11(n) or 11(s)(ii) of the Participation Agreement or any corresponding payment, or to which the Trustee is entitled under Section 3(c) of the Lease and the right to exercise the remedy provided for in Section 15(g) of the Lease (and the right to declare the Lease to be in default in connection therewith), and all proceeds and interest in respect thereof;

(ii) any insurance proceeds payable under insurance maintained for its own benefit by the Bank or the Beneficiary, respectively;

(iii) any insurance proceeds payable to the Bank or to the Beneficiary or to any related affiliated additional insureds or loss payees (collectively, the "Related Insured Parties"), under any liability insurance maintained by the Lessee pursuant to Section 11 of the Lease or by any other Person which by the terms of such policies are payable directly to a Related Insured Party;

(iv) proceeds of the Purchase Option Price for the Equipment except proceeds of the Debt Portion of the initial installment of the Purchase Option Price for the Equipment payable on the Basic Lease Termination Date as specified in Exhibit D to the Lease; and

(v) the respective rights of the Bank or the Beneficiary (or of the Related Obligor Parties or Related Insured Parties) to the proceeds of the foregoing.

"FSA" means Financial Security Assurance Inc., a New York stock insurance company, or any successor thereto or assignee thereof.

"FSA Policy" means the Financial Guaranty Insurance Policy No. 22831-NB issued by FSA.

"Head Lease" means the Head Lease Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Trustee as Head Lessee and Tri-Met as Head Lessor, as the same may be amended, supplemented or modified from time to time in accordance with the terms thereof and of the other Operative Documents.

"Head Lease Certificate of Acceptance" means the Head Lease Certificate of Acceptance, dated December 16, 1997, between the Head Lessor and the Head Lessee for the purpose of evidencing the lease of the Equipment Lot under and pursuant to the terms of the Head Lease.

"Head Lessee" means the Trustee as lessee under the Head Lease and includes any successor to the Head Lessee's Leasehold Interest.

"Head Lessor" means Tri-Met as lessor under the Head Lease.

"Head Lessor's Lease Mortgage" means a Head Lessor's Lease Mortgage (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Head Lessor and the Head Lessee, as the same may be amended, supplemented or otherwise modified in accordance with its terms.

"Insurance and Reimbursement Agreement" means the Insurance and Reimbursement Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between Tri-Met and FSA, as such may from time to time be amended, supplemented or otherwise modified.

"Item of Equipment" means each Item of Equipment listed on Annex I hereto and, subsequent to the Closing Date, each Item of Equipment (including all the Parts from time to time pertaining thereto) listed on Schedule I to the Head Lease Certificate of Acceptance and the Lease Certificate of Acceptance and each Item of Equipment substituted for any Item of Equipment (including items of equipment substituted for original Items of Equipment (and any and all Parts relating thereto) pursuant to Section 10 of the Head Lease, Section 10 of the Lease and Section 11(d) of the Participation Agreement), but shall not include items with respect to which the Lease shall previously have terminated pursuant to Section 10 thereof.

"Lease" means the Lease Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Lessor and the Lessee, as the same may be amended, supplemented or modified from time to time in accordance with the terms thereof and of the other Operative Documents.

"Lease Certificate of Acceptance" means the Certificate of Acceptance, dated December 16, 1997, between the Lessor and the Lessee for the purpose of evidencing the lease of the Equipment Lot under and pursuant to the terms of the Lease, or, as applicable, any certificate (which shall be similar in form to the Lease Certificate of Acceptance described above) with respect to a replacement Item of Equipment as contemplated in Section 10(a) of the Lease.

"Leasehold Interest" means the interest granted by the Head Lessor to the Trustee in respect of the Equipment pursuant to the Head Lease and, where the context requires, such interest in respect of the applicable Item of Equipment.

"Lessee" means Tri-Met, and its successors and permitted assigns.

"Lessee's Security Agreement" means the Lessee's Security Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the



Trustee and the Lessee, as the same may be amended, supplemented or otherwise modified.

"Lessor" means the Trustee in its trust capacity and its permitted successors and assigns.

"Lessor's Security Agreement" means the Lessor's Security Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Lessor and the Lessee, as the same may be amended, supplemented or otherwise modified.

"Letter of Credit" means a letter of credit issued by the LOC Issuer in favor of the Trustee for the account of the Lessee in substantially the form of Exhibit A to the LOC Agreement.

"Lien" means any mortgage, pledge, lien, charge, encumbrance, lease, exercise of rights, security interest, preferential arrangement or claim.

"Loan Certificate" means the Loan Certificate or Loan Certificates substantially in the form of Exhibit A to the Loan Agreement, issued in respect of the financing of the Equipment and delivered by the Trustee pursuant to Section 2.01 thereof and from time to time outstanding thereunder, and shall include any Loan Certificate delivered in exchange therefor or in replacement thereof pursuant to the Loan Agreement.

"LOC Agreement" means a Letter of Credit Agreement in substantially the form of Exhibit K to the Participation Agreement, between the LOC Issuer and the Lessee, as the same may from time to time be amended or modified in compliance with the provisions thereof and of the Participation Agreement.

"LOC Guarantee" means a guarantee of the obligations of an LOC Issuer, in form and substance, and from a Person, acceptable to Tri-Met and the Beneficiary.

"LOC Issuer" means AIG Matched Funding Corp., a Delaware corporation, and its successors and permitted assigns, with respect to the Letter of Credit issued on the Closing Date, and, with respect to any other Letter of Credit, the Obligor in respect thereof.

"Obligor" means the issuer of a Letter of Credit or the obligor or counterparty or its equivalent in respect of other Acceptable Equity Collateral held by or pledged to the Trustee.

"Operative Documents" means the Head Lease, the Head Lease Certificate of Acceptance, the Lease, the Lease Certificate of Acceptance, the Participation Agreement, the Trust Agreement, the Loan Agreement, the Loan Certificate, the Payment Agreement, the Payment Counterparty Guarantee, the LOC Agreement, the LOC Guarantee, the Letter of Credit, the Standby LOC Agreement, the Standby Letter of Credit, the Standby LOC Guarantee, the Assignment of Manufacturer's Warranties, the Lessee's Security Agreement, the Lessor's Security Agreement, the Assignment of German Mortgage, the Equipment Mortgage, the Equipment Remedies Agreement, the Insurance and Reimbursement Agreement, the FSA Policy, the Agreement for Assignment on Default, the Supplemental Rent Agreement, any Beneficiary Guarantee, any Transferee Guaranty, any Head Lessor's Lease Mortgage and each other document required to be delivered pursuant to Sections 3(a)(i-xxii) or Section 4(a)(i-xxiii) of the Participation Agreement.

"Participation Agreement" means the Participation Agreement, dated as of December 15, 1997, among Tri-Met, the Lender, the Beneficiary, the Bank (in its individual capacity as expressly provided therein and as trustee), as such Participation Agreement may from time to time be supplemented, amended or otherwise modified in accordance with the applicable terms thereof.

"Parts" means all appliances, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature, which may from time to time be incorporated or installed in or attached to an Item of Equipment, and all such parts which are at any time removed therefrom so long as title thereto shall remain vested in the Lessor in accordance with Section 8 of the Lease.

"Payment Agreement" means the Payment Agreement, dated as of December 15, 1997, among the Payment Counterparty, the Trustee and the Lessee, pursuant to which the Payment Counterparty assumes certain obligations of the Lessee under the Lease.

"Payment Counterparty" means (i) AIG-FP Special Finance (Cayman) Limited and its successors and assigns under the Payment Agreement or (ii) the obligor or issuer of any Acceptable Substitute Credit Protection in effect from time to time.

"Payment Counterparty Guarantee" means any guarantee of the obligations of the Payment Counterparty under the Payment Agreement.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Renewal Deferred Rent" has the meaning specified therefor in Section 19(b)(iv)(A)(2) of the Lease.

"Renewal Rent" means the rent payable pursuant to Section 3(b) of the Lease on each Rent Payment Date during the Renewal Lease Term thereunder and the Renewal Deferred Rent payable pursuant to Section 19(b)(iv)(A)(2) of the Lease, as the same may be adjusted from time to time pursuant to Section 3(e) of the Lease.

"Rent" means Basic Rent, Renewal Rent and Supplemental Rent.

"Rent Payment Date" means the Rent Payment Dates specified on Exhibits B and E to the Lease; provided, however, that, if any such date shall not be a Business Day, such Rent Payment Date shall be the Business Day next succeeding such date.

"Standby Letter of Credit" means a standby letter of credit issued by the Standby LOC Issuer in favor of the Trustee for the account of the Lessee in substantially the form of Exhibit P to the Participation Agreement.

"Standby LOC Issuer" means AIG Financial Products Corp., a Delaware corporation, and its successors and permitted assigns, with respect to the Standby Letter of Credit issued on the Closing Date, and, with respect to any other Standby Letter of Credit, the obligor in respect thereof.

"Successor Entity" has the meaning set forth in Section 11(b) of the Participation Agreement.

"Supplemental Rent" means all amounts, liabilities and obligations (other than Basic Rent) which the Lessee assumes or agrees to pay to the Lessor or any other Person under the Lease, the Participation Agreement, the Supplemental Rent Agreement or any other Operative Document, including, without limitation, payments of Termination Value and amounts calculated with reference thereto, Purchase Option Price, Burdensome Buyout Value, payments by Tri-Met pursuant to Section 15, 16 or 17 of the Participation Agreement and amounts payable pursuant to Section 25 of the Lease.

"Supplemental Rent Agreement" means the Supplemental Rent Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Lessee and the Beneficiary, as the same may be amended or modified from time to time in compliance with the provisions thereof.

"Transferee's Guarantor" means the guarantor of the obligations of a Transferee pursuant to a Transferee's Guaranty.

"Transferee's Guaranty" means any guaranty executed by the guarantor of the obligation of a Transferee, substantially in the Form of Exhibit E to the Participation Agreement.

"Tri-Met" means Tri-County Metropolitan Transportation District of Oregon, a municipal corporation created and existing under the laws of the State of Oregon, and any successors (including any Successor Entity) and permitted assignees.

"Trust Agreement" means the Trust Agreement (Equipment Lot Siemens 1997B-NB), dated as of December 15, 1997, between the Beneficiary and the Bank as Trustee (and in its individual capacity to the extent expressly provided therein), as such agreement may from time to time be supplemented, amended or otherwise modified in accordance with the terms thereof and of the Participation Agreement.

**Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned such terms in Appendix A to the Participation Agreement.**

ANNEX I  
TO  
EXHIBIT A  
TO  
MEMORANDUM OF LOAN AND SECURITY AGREEMENT  
DESCRIPTION OF EQUIPMENT  
SIEMENS 1997B-NB

<u>Description</u>	<u>Identification Number</u>
1 Siemens low floor light rail vehicle, Model SD 600	234